



FISCAL MEMORANDUM

SB 1977 - HB 2676

March 14, 2022

SUMMARY OF BILL AS AMENDED (015615): Requires the Central Procurement Office (CPO), for every emergency purchase the CPO approves, to report the following to the Fiscal Review Committee (FRC) within 30 days of such approval:

- Any delegated emergency purchase authority granted by the CPO;
- The reasons for granting the authority;
- The name of the state agency receiving the authority;
- The circumstances that require the emergency purchase;
- The procurement-related actions taken in response to the emergency, including the procurement methods used;
- A complete list of goods and services procured, including prices paid and the total purchase amount;
- If applicable, additional purchases expected, including expected price and total purchase amount, as of the time of the report;
- The Edison record identification and Edison vendor identification;
- Total funding for the emergency purchase agreement and funding source; and
- Any additional information requested by the FRC.

Defines “emergency purchase” as a state agency purchase made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

Establishes that upon the agreement of the chair and vice chair of the FRC, the Committee is authorized to hold hearings on any emergency purchase reported to the FRC.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures - \$190,900/FY22-23

\$182,900/FY23-24 and Subsequent Years

Assumption for the bill as amended:

- The CPO can provide the required information to the FRC utilizing existing resources.
- The FRC will require two additional positions dedicated to contract review: one Attorney and one Contract Analyst.

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- The increase in state expenditures for the Attorney positions is estimated to be \$110,045 (\$85,000 salary + \$21,045 benefits + \$4,000 computers and supplies) in FY22-23 and \$106,045 (\$85,000 salary + \$21,045 benefits) in FY23-24 and subsequent years.
- The increase in state expenditures for the Attorney positions is estimated to be \$80,892 (\$60,000 salary + \$16,892 benefits + \$4,000 computers and supplies) in FY22-23 and \$76,892 (\$60,000 salary + \$26,892 benefits) in FY23-24 and subsequent years.
- The total increase in state expenditures is estimated to be \$190,937 (\$110,045 + \$80,892) in FY22-23 and \$182,937 (\$106,045 + \$76,892) in FY23-24 and subsequent years.
- Any hearing held subsequent to a report provided to the FRC regarding an emergency purchase can be held in conjunction with a regularly scheduled FRC meeting.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jb